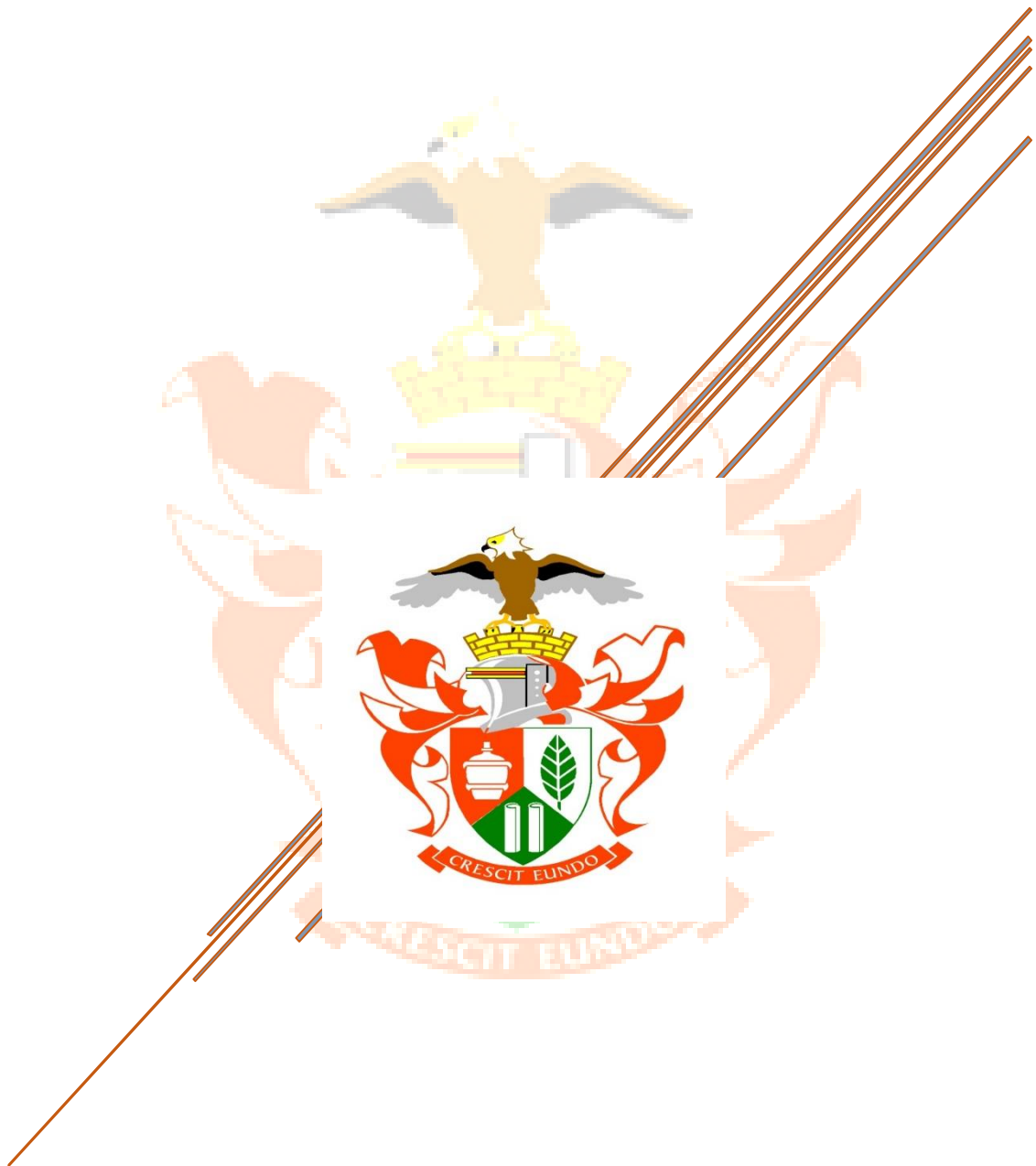


# **MKHONDO LOCAL MUNICIPALITY**

## **FINAL SDBIP 2018/19**



Mkhondo Local Municipal

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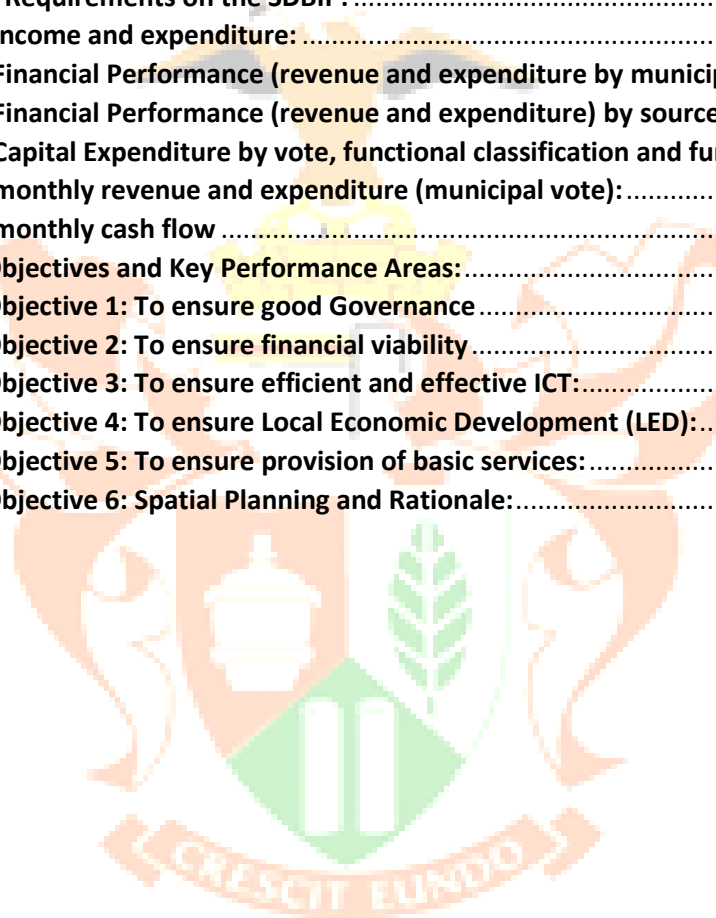


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## **VISION**

A model municipality of excellence

## **MISSION**

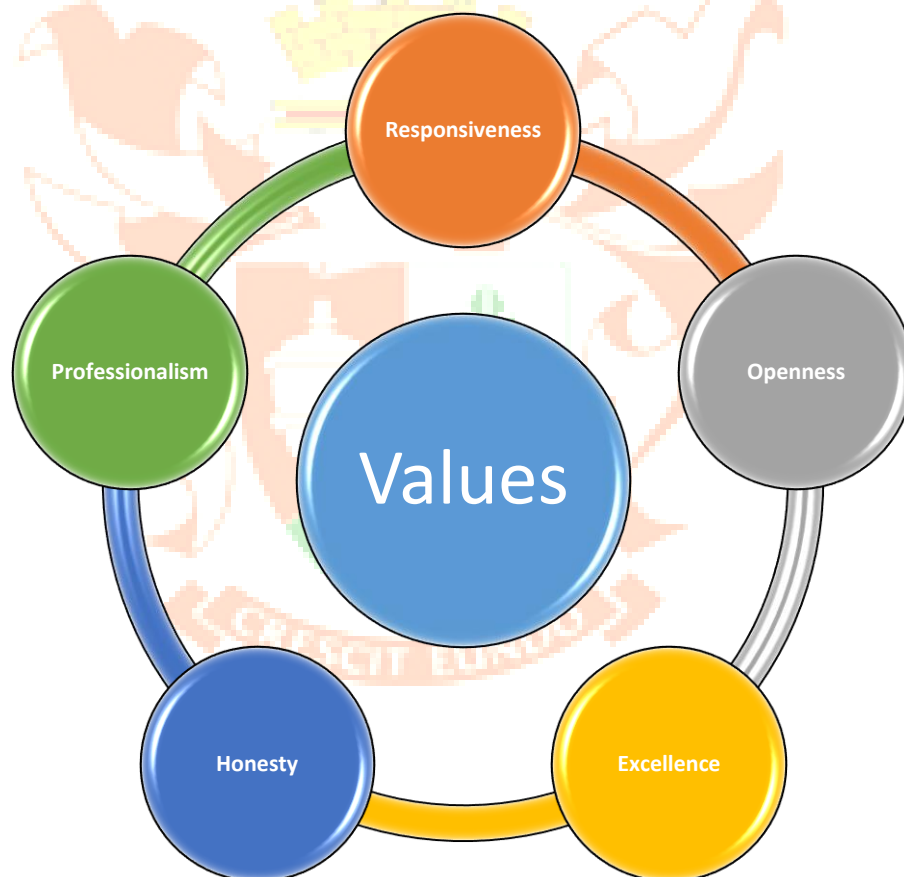
Committed to deliver quality and sustainable

Services that will enhance economically viable

And better life for our community.

## **CORE VALUES**

The activities of the Mkhondo Local Municipality are underpinned by the following core values:



## STRATEGIC OBJECTIVES



## PURPOSE OF THE SDBIP

The Service Delivery and Budget Implementation Plan (SDBIP) 2018/19 is a detailed plan for implementing the delivery of services and the budget for the 2018/19 financial year according to the Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003). It is based on the Council approved revised IDP and MTREF. The SDBIP therefore serves as a contract between the administration, council and the community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months. The SDBIP facilitates the process of holding management accountable for their performance. It provides the basis for measuring performance in the delivery of services. The said Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) requires the following to be included in the SDBIP of a municipality:

**TABLE 1: MFMA Requirements:**

No	MFMA Requirements
1.	Monthly projections of revenue to be collected for each source
2.	Monthly projections of expenditure (operating and capital) and revenue for each vote
3.	Quarterly projections of service delivery targets and performance for each vote
4.	Ward information for expenditure and service delivery
5.	Detailed capital works plan allocated by ward over three years.

## 1. EXECUTIVE MAYOR FOREWORD



It gives us a pleasure to present to you 2018/2019 Service Delivery Budget and Implementation Plan (SDBIP) as a performance agreement between the Council and Community to improve the lives of our people. Our goals and targets are geared towards improving the status of our rural communities and to redress the ills of the past apartheid regime.

The SDBIP and its development, implementation and ultimate reporting by means of the Annual Performance Report is a key governance mechanism in the municipalities ability to secure and maintain the clean audit outcomes obtained for the past years.

We can proudly report that out of many households we have, 80% have gained access to electricity, while 75% have access to refuse removal. The Municipality has also managed to implement construction projects such as construction of a new cemetery, construction of Saul Mkhizeville to Iswepe and Haartebeesfontein Water bulk line, installation of water line to Rustplaas, eMaphepheni and Forest View, Construction of main access road in Sandbank, Construction of Amsterdam Multi-Purpose Centre, installation of Storm Water drainage, Establishment of Saul Mkhizeville Basketball, Netball and Tennis courts, construction of Hawkers stalls and paved sidewalks in Saul Mkhizeville, Amsterdam and eMkhondo town and Construction of dignified sanitation. Three generator reservoirs constructed at Forest View, eMaphepheni and Rustplass, installation of a water project at Eziphunzini, fencing of Phola Park cemetery and fencing of tennis courts at Thokozani. We acknowledge that more still needs to be done, but in partnership with the civil community we can do more.

For 2018/2019 Financial year the Municipality has planned to provide the following services to its communities.

THE SDBIP IS INFORMED BY THE FOLLOWING LEGISLATION

**Table 2: SDBP Legislative Guidelines:**

No	Legislative Guidelines
1	The Constitution of Republic of South Africa
2	Local Government Municipal Structure ACT, 1986
3	Local Government: Municipal System ACT, 1988
4	Local Government: Municipal Finance Management Act, 2003

The said Local Government: Municipal Finance Management Act, 2003 (Act No 56 of 2003) prescribes that each municipality must compile an SDBIP. The mayor of the municipality is required to approve the SDBIP within 28 days after the approval of the budget and table the same at a municipal council meeting, and make the document public no later than 14 days after approval of the information.

The National Treasury MFMA Circular No 13 further states that the SDBIP is a layered plan - once the top layer targets have been set as in this document, the various departments of the municipality develop the next lower level.

### **3. MONITORING AND EVALUATION**

Mkhondo Local Municipal Council has approved a Performance Management Framework Policy (PMFP) and System during the 2012/2013 financial year. The Performance Management System provides for quarterly and mid-year performance reporting and reviews on the implementation of the SDBIP.

### **4. STRATEGIC FOCUS OF LOCAL GOVERNMENT**

In January 2010, Cabinet adopted twelve outcomes within which to frame service delivery priorities and targets as per National Treasury MFMA Circulars No 54 and 55. The key focus areas and service delivery targets for the year 2018/19 are outlined in the following sections of this plan.



**Table 3: Twelve outcomes:**

No	Twelve outcomes
1.	Improve the Quality of Basic Education
2.	Improve health and Life Expectancy
3.	All people in South Africa protected and feel safe
4.	Decent employment through inclusive economic growth
5.	A skilled and capable workforce to support inclusive growth
6.	An efficient, competitive and responsive economic infrastructure
7.	Vibrant, Equitable and sustainable rural communities and food security
8.	Sustainable human settlements and improved quality of household's life
9.	A response and accountable effective and efficient local government system
10.	Protection and enhancement of environmental assets and natural resources
11.	A better South Africa, a better safer Africa and the World
12.	A development-Orientated public service and inclusive citizenship

## 5. BUDGET AND SDBIP

In terms of Section 15 of the MFMA, a municipality may except where otherwise provided in this Act, incur expenditure only in terms of approved budget and within the limits of the amounts appropriated for the different votes in an approved budget. Immediately in Section 16, the MFMA prescribes that the Council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

An annual budget must be a schedule setting out realistically anticipated revenue for the budget year from each revenue source;

**Table 4: Budget structure:**

No	Structure
1.	Appropriating expenditure for the budget year under the different votes of the municipality
2.	The budget must also set out the estimated revenue and expenditure by vote for the current year, as well as actual revenue and expenditure by vote for the financial year proceeding the current year
3.	Lastly, the budget should provide a statement containing any other information required by Section 215 (3) of the Constitution or as may be prescribed. According to Section 24(2) (a), the budget of a municipality must be approved by Council before the start of the budget year

In terms of the MFMA (Chapter 1), the SDBIP is defined as a detail plan approved by the Executive Mayor of a municipality for implementing the municipality's delivery of municipal services and its annual budget, and which must indicate the following:

**Table 5: MFMA budget requirements:**

No	MFMA Requirement
1.	Projections for each month of revenue to be collected, by source
2.	Projections for each month of Operational and capital expenditure, by vote
3.	Service delivery targets and performance indicators for each quarter
4.	Other matters prescribed

According to Section 53 of the MFMA, the Executive Mayor is expected to approve the SDBIP within 28 days after the approval of the budget. In addition, the Executive Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators as set out in the SDBIP are made public within 14 days after its approval.

## **6. REPORTING ON THE SDBIP**

Regular performance reporting should be done in terms of the SDBIP. The MFMA outlines a series of reporting requirements. Both the Executive Mayor and the Accounting Officer have clear roles to play in preparing the reports to monitor performance in terms of the SDBIP. Section 79 Oversight Committees also have an important role to play in this regard. The reports should enable councillors to monitor the performance and implementation of Service Delivery programmes.

### **6.1 MONTHLY REPORTING**

Section 71 of the MFMA stipulates that reporting on actual revenue targets and spending against the budget should occur on a monthly basis. This reporting must be conducted by the Accounting Officer of a municipality no later than 10 working days, after the end of each month.

**Table 6: MFMA s71 report requirements:**

No	S71 requirements
1.	Actual revenue, per source
2.	Actual borrowings
3.	Actual expenditure per vote
4.	Actual capital expenditure per vote
5.	The amount of any allocations received
6.	Any material variances from the municipality's variance by source, and from the municipality's expenditure projection per vote
7.	Any material variances from the service delivery and budget implementation plan and any remedial or corrective taken or to be taken to ensure that the projected revenue and expenditure remain within the municipality's approved budget

## **6.2 QUARTERLY REPORTING**

Section 52 (d) compels the Mayor to submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days of the end each quarter. The quarterly's performance projections captured in the SDBIP forms the basis for the Executive Mayor's quarterly reports.

## **6.3 MID-YEAR REPORTING**

Section 72 (1) (a) of the MFMA outlines the requirements for mid- year reporting. The accounting officer is required by the 25th January of each year to assess the performance of the municipality during the first half of the year taking into account

**Table 7: MFMA s72 requirements of mid-year assessment:**

No	Requirements of mid-year assessment
1.	The monthly statements referred to in section 71 of the first half of the year
2.	The municipalities service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan
3.	The past year's annual report, and progress on resolving problems identified in the annual report
4.	The performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities
5.	Based on the outcomes of the mid-year budget and performance assessment report, an adjustments budget may be tabled if actual revenue or expenditure amounts are materially different from the projections contained in the budget or the SDBIP. The SDBIP is also a living document and may be modified based on the mid-year performance review. Thus the SDBIP remains a kind of contract that holds the municipality accountable to the community

#### 6.4 PERFORMANCE REPORTING

Section 46 of the Municipal Systems Act (MSA) states that a municipality must prepare for each financial year, a performance report that reflects the following:

**Table 8: MSA Requirements:**

No	MSA Requirements
1.	The performance of the municipality and of each external service provided during that financial year
2.	A comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year
3.	Measures to be taken to improve on the performance

The performance report must be submitted at the end of the financial year and will be made public as part of the annual report in terms of chapter 12 of the MFMA. The publication thereof will also afford the public the opportunity to judge the performance of the municipality against the targets set in the various planning instruments.

#### 6.5 ANNUAL REPORTING

Section 121 of the MFMA provides that every municipality and every municipal entity must prepare an annual report for each financial year, and that the council of the municipality must within nine months after the end financial year concerned, deal with the annual report of the municipality and the annual report of any municipal entities under the municipality's sole or share control.

## 6.6 OVERSIGHT REPORTING

The council of a municipality must consider the municipality's annual report (and that of any municipal entity under the municipality's control), and in terms of Section 129 of MFMA, within two months from the date of tabling of the annual report, must adopt an oversight report containing the council's comments, which must include a statement whether the council:

**Table 9: Oversight Requirements:**

No	Oversight Requirements
1.	Has approved the annual report with or without reservations
2.	Has rejected the annual report
3.	Has referred the annual report back for revision of those components that can be revised

In terms of Section 132 of the MFMA, the following documents must be submitted by the accounting officer to the provincial legislature within seven days after the municipal council has adopted the relevant oversight report:

**Table 10: MFMA requirements on submission of oversight reports:**

No	S132 requirements
1.	The annual report (or any components thereof) of each municipality and each municipal entity in the province
2.	All oversight reports adopted on those annual reports. It is important to note that the oversight committee working with these reports should be chaired by the opposition party

## 7. PERFORMANCE AGREEMENTS WITH SECTION 57 OFFICIALS

After approval of the SDBIP, the performance agreements with all section 57 officials will be amended to ensure measurement of performance in terms of the IDP/SDBIP for the 2018/19 financial year.

## 8. PERFORMANCE AGREEMENTS WITH OTHER MANAGERS

The municipality has developed a PMS system to allow for the monitoring of performance in terms of the SDBIP, of all managers in the municipality.

## 9. MUNICIPAL SCORE CARDS

The Municipality's Scorecard consists of the following:

**Table 11: Elements of Municipal Scorecard:**

No	Municipal scorecards elements
1.	The scorecard provides the quarterly corporate targets against which the municipality will be held accountable
2.	Service delivery targets and performance indicators which have been cascaded into the departments, departmental and Executive Management's Scorecards (S56 employees), which will be used for monitoring of the organization

## 10. KEY COMPONENTS OF THE 2018/19 SDBIP

In terms of Circular No. 13 of the MFMA No. 56 of 2003, the Service Delivery and Budget Implementation Plan should indicate the responsibilities and outputs for each of the senior managers in the top management team. This must include inputs to be used and the time deadlines for each output. It must provide a total picture in terms of service delivery areas, budget allocations and monitoring and evaluation.

The 2018/19 SDBIP has been prepared in terms of Circular 13 of the MFMA, according to which the SDBIP must contain:

**Table 12: Circular 13 Requirements on the SDBIP:**

No	Circular 13 Requirement
1.	Monthly projections of revenue to be collected for each source
2.	Monthly projections of expenditure (operating and capital) and revenue for each vote
3.	Quarterly projections of service delivery targets and performance indicators for each vote
4.	Ward information for expenditure and delivery

## 11. BUDGET

**Table 13: Budgeted income and expenditure:**

MP303 Mkhondo - Table A1 Budget Summary										
Description	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Financial Performance</b>										
Property rates	31 383	34 003	40 351	41 452	43 586	43 586	19 838	46 852	49 429	52 148
Service charges	114 732	120 785	163 927	149 663	155 512	155 512	74 924	170 562	181 569	193 293
Investment revenue	1 213	1 028	442	530	1 659	1 659	904	1 745	1 841	1 943
Transfers recognised - operational	137 188	141 195	171 606	196 057	196 412	196 412	143 113	219 071	237 224	219 451
Other own revenue	44 301	61 871	59 165	43 798	47 311	47 311	20 500	48 867	37 800	36 156
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>328 817</b>	<b>358 883</b>	<b>435 491</b>	<b>431 499</b>	<b>444 480</b>	<b>444 480</b>	<b>259 280</b>	<b>487 097</b>	<b>507 863</b>	<b>502 991</b>
Employee costs	112 532	128 742	148 774	155 528	156 428	156 428	77 072	166 126	176 924	188 425
Remuneration of councillors	12 840	13 086	12 039	13 745	14 905	14 905	7 297	15 724	16 589	17 501
Depreciation & asset impairment	70 686	75 480	70 178	78 651	71 700	71 700	37 987	72 847	73 576	74 311
Finance charges	7 528	12 699	9 476	100	100	100	4 237	–	–	–
Materials and bulk purchases	114 275	135 810	140 824	135 610	132 213	132 213	73 236	141 087	150 588	160 758
Transfers and grants	6 480	3 930	6 676	17 877	10 877	10 877	527	12 767	13 630	13 167
Other expenditure	109 284	120 958	166 416	149 329	154 136	154 136	84 731	151 737	153 243	155 841
<b>Total Expenditure</b>	<b>433 625</b>	<b>490 705</b>	<b>554 383</b>	<b>550 840</b>	<b>540 358</b>	<b>540 358</b>	<b>285 086</b>	<b>560 289</b>	<b>584 550</b>	<b>610 003</b>
<b>Surplus/(Deficit)</b>	<b>(104 808)</b>	<b>(131 822)</b>	<b>(118 892)</b>	<b>(119 340)</b>	<b>(95 878)</b>	<b>(95 878)</b>	<b>(25 805)</b>	<b>(73 192)</b>	<b>(76 686)</b>	<b>(107 012)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	86 376	218 135	78 481	123 104	123 099	123 099	66 968	115 104	124 773	106 130
Contributions recognised - capital & contributed assets	5 045	–	–	47 269	54 694	54 694	–	600	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(13 387)</b>	<b>86 313</b>	<b>(40 410)</b>	<b>51 033</b>	<b>81 915</b>	<b>81 915</b>	<b>41 162</b>	<b>42 512</b>	<b>48 087</b>	<b>(883)</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>(13 387)</b>	<b>86 313</b>	<b>(40 410)</b>	<b>51 033</b>	<b>81 915</b>	<b>81 915</b>	<b>41 162</b>	<b>42 512</b>	<b>48 087</b>	<b>(883)</b>

<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>97 580</b>	<b>212 729</b>	<b>80 749</b>	<b>125 604</b>	<b>155 700</b>	<b>155 700</b>	<b>62 221</b>	<b>115 704</b>	<b>124 773</b>	<b>106 130</b>
Transfers recognised - capital	90 683	201 035	71 534	123 104	143 099	143 099	62 221	115 104	124 773	106 130
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
<b>Internally generated funds</b>	<b>6 897</b>	<b>11 694</b>	<b>9 215</b>	<b>2 500</b>	<b>12 601</b>	<b>12 601</b>	<b>–</b>	<b>600</b>	<b>–</b>	<b>–</b>
<b>Total sources of capital funds</b>	<b>97 580</b>	<b>212 729</b>	<b>80 749</b>	<b>125 604</b>	<b>155 700</b>	<b>155 700</b>	<b>62 221</b>	<b>115 704</b>	<b>124 773</b>	<b>106 130</b>
<b>Financial position</b>										
Total current assets	65 066	59 562	51 681	139 611	164 754	164 754	75 087	179 639	181 613	151 496
Total non current assets	1 338 681	1 462 745	1 457 958	1 582 992	1 523 480	1 523 480	1 482 576	1 515 089	1 566 386	1 599 195
Total current liabilities	155 258	181 357	224 789	104 137	118 648	118 648	232 441	130 563	115 750	101 760
Total non current liabilities	33 317	37 415	35 108	39 288	35 108	35 108	35 108	35 108	35 108	35 108
Community wealth/Equity	1 215 172	1 303 534	1 249 742	1 579 178	1 534 478	1 534 478	1 290 113	1 541 824	1 623 539	1 653 386
<b>Cash flows</b>										
Net cash from (used) operating	75 632	197 152	67 607	79 540	112 552	112 552	82 935	105 906	116 385	65 886
Net cash from (used) investing	(97 761)	(194 431)	(76 469)	(80 835)	(113 606)	(113 606)	(62 287)	(109 704)	(124 773)	(106 130)
Net cash from (used) financing	(1 220)	(848)	6 336	(386)	(683)	(683)	(7 221)	–	–	–
<b>Cash/cash equivalents at the year end</b>	<b>2 152</b>	<b>4 026</b>	<b>1 500</b>	<b>8</b>	<b>146</b>	<b>146</b>	<b>14 927</b>	<b>302</b>	<b>(8 086)</b>	<b>(48 330)</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	19 658	4 026	1 500	8	146	146	14 927	770	(7 548)	(47 751)
Application of cash and investments	110 487	137 931	178 447	19	(60)	(60)	169 378	(3 812)	(25 677)	(48 227)
<b>Balance - surplus (shortfall)</b>	<b>(90 829)</b>	<b>(133 905)</b>	<b>(176 948)</b>	<b>(11)</b>	<b>205</b>	<b>205</b>	<b>(154 450)</b>	<b>4 582</b>	<b>18 129</b>	<b>476</b>
<b>Asset management</b>										
Asset register summary (WDV)	1 409 931	1 392 385	1 248 633	1 573 185	1 577 983	1 577 983		1 527 677	1 624 775	1 750 549
Depreciation	70 686	75 480	70 178	78 651	71 700	71 700		99 869	103 017	94 114
Renewal of Existing Assets	–	–	–	–	–	–		–	–	–
Repairs and Maintenance	31 409	34 513	25 240	22 004	18 607	18 607		19 165	19 741	20 333
<b>Free services</b>										



Cost of Free Basic Services provided	12 683	13 856	–	15 755	23 919	23 919	18 193	18 193	19 442	19 230
Revenue cost of free services provided	50	50	–	8 215	–	–	4 914	4 914	5 320	4 914
<b>Households below minimum service level</b>										
Water:	2	2	2	2	2	2	2	2	2	2
Sanitation/sewerage:	17	17	19	19	19	19	19	19	19	19
Energy:	20	20	20	37	37	37	37	37	37	37
Refuse:	40	40	42	–	–	–	–	–	–	–

**Table 14: Budgeted Financial Performance (revenue and expenditure by municipal vote):**

MP303 Mkhondo - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		203 649	252 353	236 066	344 466	228 728	228 728	201 787	211 296	195 187
Vote 2 - Budget and Treasury Office		46 248	61 651	63 615	55 519	187 540	187 540	162 665	193 015	175 976
Vote 3 - Corporate Services		122	248	1 178	3 343	783	783	825	861	877
Vote 4 - Planning and Development		1 083	1 778	1 322	1 138	1 302	1 302	1 470	1 551	1 636
Vote 5 - Community Services		14 586	27 197	26 601	12 667	14 837	14 837	16 169	17 058	17 996
Vote 6 - Technical Services		145 843	233 790	167 558	160 339	164 518	164 518	198 958	192 406	202 074
Vote 7 - Afforestation and Tourism		8 708	–	17 633	24 400	24 565	24 565	20 926	16 450	15 375
<b>Total Revenue by Vote</b>	2	<b>420 238</b>	<b>577 018</b>	<b>513 973</b>	<b>601 872</b>	<b>622 273</b>	<b>622 273</b>	<b>602 800</b>	<b>632 636</b>	<b>609 121</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - Executive and Council		93 468	115 306	98 021	119 126	113 883	113 883	104 392	106 312	109 656

Vote 2 - Budget and Treasury Office		82 637	71 531	149 184	104 138	108 596	108 596	108 065	109 383	111 330
Vote 3 - Corporate Services		13 844	29 428	25 861	28 853	28 703	28 703	29 868	31 465	33 155
Vote 4 - Planning and Development		4 396	4 244	4 004	7 722	5 974	5 974	6 305	6 670	7 058
Vote 5 - Community Services		60 871	65 129	56 864	60 154	60 336	60 336	62 625	65 890	69 341
Vote 6 - Technical Services		165 827	193 165	203 132	215 900	205 322	205 322	218 390	232 585	246 907
Vote 7 - Afforestation and Tourism		12 581	11 900	17 318	14 947	17 542	17 542	17 876	18 615	19 389
<b>Total Expenditure by Vote</b>	2	<b>433 625</b>	<b>490 705</b>	<b>554 383</b>	<b>550 840</b>	<b>540 358</b>	<b>540 358</b>	<b>547 522</b>	<b>570 920</b>	<b>596 836</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>(13 387)</b>	<b>86 313</b>	<b>(40 410)</b>	<b>51 033</b>	<b>81 916</b>	<b>81 916</b>	<b>55 279</b>	<b>61 717</b>	<b>12 285</b>

**Table 15: Budgeted Financial Performance (revenue and expenditure) by source:**

MP303 Mkhondo - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue By Source</b>											
Property rates	2	31 383	34 003	40 351	41 452	43 586	43 586	19 838	46 852	49 429	52 148
Service charges - electricity revenue	2	88 121	89 281	121 224	113 401	113 606	113 606	54 454	121 377	129 679	138 549
Service charges - water revenue	2	11 890	15 091	23 561	16 945	20 774	20 774	10 396	24 854	26 221	27 663
Service charges - sanitation revenue	2	6 945	7 703	9 153	9 354	9 907	9 907	4 711	12 523	13 211	13 938
Service charges - refuse revenue	2	7 774	8 711	9 989	9 962	11 224	11 224	5 363	11 808	12 458	13 143
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		968	758	751	3 840	1 466	1 466	449	1 543	1 628	1 717
Interest earned - external investments		1 213	1 028	442	530	1 659	1 659	904	1 745	1 841	1 943
Interest earned - outstanding debtors		9 198	10 659	16 157	10 800	16 320	16 320	8 656	14 500	13 500	12 500
Dividends received		78	-	-	-	-	-	-	-	-	-

Fines, penalties and forfeits		4 470	3 779	3 017	408	1 604	1 604	574	2 188	2 308	2 435
Licences and permits		77	32	116	52	52	52	55	55	58	61
Agency services		9 177	9 743	12 155	–	–	–	–	–	–	–
Transfers and subsidies		137 188	141 195	171 606	196 057	196 412	196 412	143 113	219 071	237 224	219 451
Other revenue	2	20 331	36 747	24 664	28 697	27 868	27 868	10 766	24 581	20 306	19 443
Gains on disposal of PPE	1	152	2 304	–	–	–	–	–	6 000	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>328 817</b>	<b>358 883</b>	<b>435 491</b>	<b>431 499</b>	<b>444 480</b>	<b>444 480</b>	<b>259 280</b>	<b>487 097</b>	<b>507 863</b>	<b>502 991</b>
<b>Expenditure By Type</b>											
Employee related costs	2	112 532	128 742	148 774	155 528	156 428	156 428	77 072	166 126	176 924	188 425
Remuneration of councillors		12 840	13 086	12 039	13 745	14 905	14 905	7 297	15 724	16 589	17 501
Debt impairment	3	28 038	29 266	62 363	48 132	53 700	53 700	34 782	51 500	50 000	49 500
Depreciation & asset impairment	2	70 686	75 480	70 178	78 651	71 700	71 700	37 987	72 847	73 576	74 311
Finance charges		7 528	12 699	9 476	100	100	100	4 237	–	–	–
Bulk purchases	2	82 866	101 297	115 583	113 606	113 606	113 606	64 240	121 922	130 847	140 425
Other materials	8	31 409	34 513	25 240	22 004	18 607	18 607	8 996	19 165	19 741	20 333
Contracted services		36 362	15 272	40 981	37 908	38 836	38 836	22 387	38 889	40 055	41 257
Transfers and subsidies		6 480	3 930	6 676	17 877	10 877	10 877	527	12 767	13 630	13 167
Other expenditure	4, 5	44 883	76 420	61 952	63 289	61 600	61 600	27 562	61 348	63 188	65 084
Loss on disposal of PPE		–	–	1 120	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>433 625</b>	<b>490 705</b>	<b>554 383</b>	<b>550 840</b>	<b>540 358</b>	<b>540 358</b>	<b>285 086</b>	<b>560 289</b>	<b>584 550</b>	<b>610 003</b>
<b>Surplus/(Deficit)</b>		<b>(104 808)</b>	<b>(131 822)</b>	<b>(118 892)</b>	<b>(119 340)</b>	<b>(95 878)</b>	<b>(95 878)</b>	<b>(25 805)</b>	<b>(73 192)</b>	<b>(76 686)</b>	<b>(107 012)</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		86 376	218 135	78 481	123 104	123 099	123 099	66 968	115 104	124 773	106 130
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	5 045	–	–	2 500	12 600	12 600	–	600	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	44 769	42 094	42 094	–	–	–	–
<b>Surplus/(Deficit) for the year</b>		<b>(13 387)</b>	<b>86 313</b>	<b>(40 410)</b>	<b>51 033</b>	<b>81 915</b>	<b>81 915</b>	<b>41 162</b>	<b>42 512</b>	<b>48 087</b>	<b>(883)</b>

**Table 16: Budgeted Capital Expenditure by vote, functional classification and funding:**

**MP303 Mkhondo - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding**

Vote Description	Re f	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
Vote 2 - Budget and Treasury Office		–	538	4118	–	400	400	–	300	–	–
Vote 3 - Corporate Services		–	722	482	–	200	200	–	300	–	–
Vote 4 - Planning and Development		–	–	9	–	–	–	–	–	–	–
Vote 5 - Community Services		–	–	2782	10867	18063	18063	18136	3500	6000	6000
Vote 6 - Technical Services		5045	211469	72594	114737	137037	137037	44084	111604	118773	100130
Vote 7 - Afforestation and Torism		92535	–	–	–	–	–	–	–	–	–
<b>Capital multi-year expenditure sub-total</b>	<b>7</b>	<b>580</b>	<b>212 729</b>	<b>80 749</b>	<b>125 604</b>	<b>155 700</b>	<b>155 700</b>	<b>62 221</b>	<b>115 704</b>	<b>124 773</b>	<b>106 130</b>
<b><u>Single-year expenditure to be appropriated</u></b>	<b>2</b>										
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Budget and Treasury Office		–	–	–	–	–	–	–	–	–	–
Vote 3 - Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 4 - Planning and Development		–	–	–	–	–	–	–	–	–	–
Vote 5 - Community Services		–	–	–	–	–	–	–	–	–	–
Vote 6 - Technical Services		–	–	–	–	–	–	–	–	–	–
Vote 7 - Afforestation and Torism		–	–	–	–	–	–	–	–	–	–
<b>Capital single-year expenditure sub-total</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Vote</b>		<b>97 580</b>	<b>212 729</b>	<b>80 749</b>	<b>125 604</b>	<b>155 700</b>	<b>155 700</b>	<b>62 221</b>	<b>115 704</b>	<b>124 773</b>	<b>106 130</b>
<b><u>Capital Expenditure - Functional</u></b>											
<b><i>Governance and administration</i></b>		<b>–</b>	<b>1 260</b>	<b>5 363</b>	<b>–</b>	<b>600</b>	<b>600</b>	<b>–</b>	<b>600</b>	<b>–</b>	<b>–</b>
Executive and council		–	–	764	–	–	–	–	–	–	–
Finance and administration		–	1 260	4 599	–	600	600	–	600	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–
<b><i>Community and public safety</i></b>		<b>–</b>	<b>–</b>	<b>2 666</b>	<b>10 867</b>	<b>18 063</b>	<b>18 063</b>	<b>18 136</b>	<b>3 500</b>	<b>6 000</b>	<b>6 000</b>
Community and social services		–	–	2 648	4 867	14 540	14 540	18 136	–	–	–

Sport and recreation		-	-	-	6 000	3 523	3 523	-	3 500	6 000	6 000
Public safety		-	-	9	-	-	-				
Housing		-	-	9	-	-	-				
Health		-	-	-	-	-	-				
<b>Economic and environmental services</b>		-	25 832	20 520	37 020	47 357	47 357	11 158	27 638	26 500	24 695
Planning and development		-	-	-	-	-	-				
Road transport		-	25 832	20 520	37 020	47 357	47 357	11 158	27 638	26 500	24 695
Environmental protection		-	-	-	-	-	-				
<b>Trading services</b>		5 045	185 637	52 199	77 717	89 679	89 679	32 926	83 966	92 273	75 435
Energy sources		-	12 739	9 010	11 500	13 920	13 920	2 569	8 500	15 000	11 000
Water management		-	154 974	36 336	31 217	36 359	36 359	21 169	20 260	17 273	-
Waste water management		-	17 924	6 728	35 000	39 400	39 400	9 188	55 205	60 000	64 435
Waste management		5 045	-	125	-	-	-	-	-	-	-
<b>Other</b>		92 535	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	97 580	212 729	80 749	125 604	155 700	155 700	62 221	115 704	124 773	106 130
<b>Funded by:</b>											
National Government		90 683	91 668	71 534	123 104	143 099	143 099	62 221	115 104	124 773	106 130
Provincial Government		-	100 000	-	-	-	-	-	-	-	-
District Municipality		-	9 367	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	90 683	201 035	71 534	123 104	143 099	143 099	62 221	115 104	124 773	106 130
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		6 897	11 694	9 215	2 500	12 601	12 601	-	600	-	-
<b>Total Capital Funding</b>	7	97 580	212 729	80 749	125 604	155 700	155 700	62 221	115 704	124 773	106 130

**Table 17: Budgeted monthly revenue and expenditure (municipal vote):**

Description	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Revenue By Source</b>															
Property rates	3 821	3 821	3 821	3 821	3 821	3 821	3 821	3 821	3 821	3 821	3 821	4 821	46 852	49 429	52 148
Service charges - electricity revenue	10 115	10 115	10 115	10 115	10 115	10 115	10 115	10 115	10 115	10 115	10 115	10 115	121 377	129 679	138 549
Service charges - water revenue	1 821	1 821	1 821	1 821	1 821	1 821	1 821	1 821	1 821	1 821	1 821	4 821	24 854	26 221	27 663
Service charges - sanitation revenue	877	877	877	877	877	877	877	877	877	877	877	2 877	12 523	13 211	13 938
Service charges - refuse revenue	984	984	984	984	984	984	984	984	984	984	984	984	11 808	12 458	13 143
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	129	129	129	129	129	129	129	129	129	129	129	129	1 543	1 628	1 717
Interest earned - external investments	145	145	145	145	145	145	145	145	145	145	145	145	1 745	1 841	1 943
Interest earned - outstanding debtors	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	1 208	14 500	13 500	12 500
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	141	141	141	141	141	141	141	141	141	141	141	641	2 188	2 308	2 435
Licences and permits	5	5	5	5	5	5	5	5	5	5	5	5	55	58	61
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies	81 204	838	–	–	1 550	60 650	–	–	74 828	–	–	–	219 071	237 224	219 451
Other revenue	1 215	1 215	1 215	1 215	1 215	1 215	1 215	1 215	1 215	1 215	1 215	11 215	24 581	20 306	19 443
Gains on disposal of PPE												6 000	6 000	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>101 665</b>	<b>21 298</b>	<b>20 460</b>	<b>20 460</b>	<b>22 011</b>	<b>81 110</b>	<b>20 460</b>	<b>20 460</b>	<b>95 289</b>	<b>20 460</b>	<b>20 460</b>	<b>42 960</b>	<b>487 097</b>	<b>507 863</b>	<b>502 991</b>
<b>Expenditure By Type</b>															
Employee related costs	13 900	13 900	13 900	13 900	13 900	13 900	13 900	13 900	13 900	13 900	13 500	13 626	166 126	176 924	188 425
Remuneration of councillors	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 300	1 424	15 724	16 589	17 501
Debt impairment	–	–	–	–	–	–	–	–	–	–	–	51 500	51 500	50 000	49 500
Depreciation & asset impairment	6 071	6 071	6 071	6 071	6 071	6 071	6 071	6 071	6 071	6 071	6 071	6 071	72 847	73 576	74 311

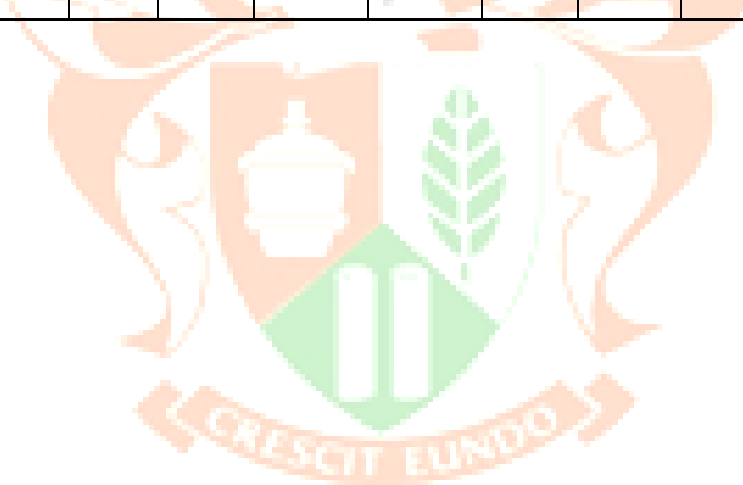
Finance charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases	14 081	14 436	9 852	7 596	7 443	6 854	6 979	8 530	7 676	9 852	14 436	14 188	121922	130847	140 425
Other materials	1 400	1 400	1 400	1 500	1 500	1 500	1 600	1 600	1 600	1 600	1 600	2 465	19 165	19 741	20 333
Contracted services	1 282	1 544	3 786	4 698	2 434	6 153	3 700	2 000	5 000	1 500	1 500	5 294	38 889	40 055	41 257
Transfers and subsidies	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	12 767	13 630	13 167
Other expenditure	5 287	5 287	5 287	5 287	5 287	5 287	5 287	5 287	5 287	5 287	5 287	3 187	61 348	63 188	65 084
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>44 385</b>	<b>45 001</b>	<b>42 659</b>	<b>41 415</b>	<b>38 999</b>	<b>42129</b>	<b>39 900</b>	<b>39 752</b>	<b>41898</b>	<b>40 574</b>	<b>44 758</b>	<b>98 819</b>	<b>560289</b>	<b>584550</b>	<b>610 003</b>
<b>Surplus/(Deficit)</b>	<b>57 280</b>	<b>-23703</b>	<b>-22199</b>	<b>-20955</b>	<b>-16988</b>	<b>38 982</b>	<b>-19 440</b>	<b>-19 292</b>	<b>53 391</b>	<b>-20 113</b>	<b>-24 297</b>	<b>-55 859</b>	<b>-73 192</b>	<b>-76 686</b>	<b>-107 012</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	22 743	11 154	16 654	10 486	7 742	20 489	3 351	2 400	1 800	12 535	1 800	3 950	115 104	124 773	106 130
Transfers and subsidies - capital	50	50	50	50	50	50	50	50	50	50	50	50	600	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>80 073</b>	<b>-12 499</b>	<b>-5 495</b>	<b>-10 419</b>	<b>-9 196</b>	<b>59 521</b>	<b>-16 039</b>	<b>-16 842</b>	<b>55 241</b>	<b>-7 528</b>	<b>-22 447</b>	<b>-51 859</b>	<b>42 512</b>	<b>48 087</b>	<b>-883</b>
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit)</b>	<b>80 073</b>	<b>-12 499</b>	<b>-5 495</b>	<b>-10 419</b>	<b>-9 196</b>	<b>59 521</b>	<b>-16 039</b>	<b>-16 842</b>	<b>55 241</b>	<b>-7 528</b>	<b>-22 447</b>	<b>-51 859</b>	<b>42 512</b>	<b>48 087</b>	<b>-883</b>

**Table 17: Budgeted monthly cash flow**

MONTHLY CASH FLOWS	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
<b>Cash Receipts By Source</b>													1		
Property rates	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	2 866	5 021	36 545	38 555	40 675
Service charges - electricity revenue	7 586	7 586	7 586	7 586	7 586	7 586	7 586	7 586	7 586	7 586	7 586	11 227	94 674	101 150	108 068
Service charges - water revenue	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	4 361	19 386	20 452	21 577
Service charges - sanitation revenue	658	658	658	658	658	658	658	658	658	658	658	2 533	9 768	10 305	10 872
Service charges - refuse revenue	738	738	738	738	738	738	738	738	738	738	738	1 092	9 210	9 717	10 251
Service charges - other	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment	129	129	129	129	129	129	129	129	129	129	129	129	1 543	1 628	1 717
Interest earned - external investments	145	145	145	145	145	145	145	145	145	145	145	145	1 745	1 841	1 943
Interest earned - outstanding debtors	–	–	–	–	–	–	–	–	–	–	–	–	–	1 350	1 250
Dividends received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits	120	120	120	120	120	120	120	120	120	120	120	544	1 860	1 154	1 218
Licences and permits	5	5	5	5	5	5	5	5	5	5	5	5	55	58	61
Agency services	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer receipts - operational	81 204	838	–	–	1 550	60 650	–	–	74 828	–	–	–	219 071	237 224	219 451
Other revenue	1 215	1 215	1 215	1 215	6 215	1 215	1 215	1 215	1 215	6 215	1 215	1 215	24 581	20 306	19 443
<b>Cash Receipts by Source</b>	<b>96 031</b>	<b>15 665</b>	<b>14 827</b>	<b>14 827</b>	<b>21 377</b>	<b>75 477</b>	<b>14 827</b>	<b>14 827</b>	<b>89 655</b>	<b>19 827</b>	<b>14 827</b>	<b>26 274</b>	<b>418 437</b>	<b>443 740</b>	<b>436 527</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	54 206	–	–	–	–	29 872	–	–	12 321	–	–	18 705	115 104	124 773	106 130
Proceeds on disposal of PPE	–	–	–	–	–	–	–	–	–	–	–	6 000	6 000	–	–
<b>Total Cash Receipts by Source</b>	<b>150 237</b>	<b>15 665</b>	<b>14 827</b>	<b>14 827</b>	<b>21 377</b>	<b>105 349</b>	<b>14 827</b>	<b>14 827</b>	<b>101 975</b>	<b>19 827</b>	<b>14 827</b>	<b>50 979</b>	<b>539 541</b>	<b>568 513</b>	<b>542 656</b>
<b>Cash Payments by Type</b>															
Employee related costs	13 152	13 152	13 152	13 152	13 152	13 152	13 152	13 152	13 152	13 152	13 152	13 152	157 820	168 078	179 003



Remuneration of councillors	1 310	1 310	1 310	1 310	1 310	1 310	1 310	1 310	1 310	1 310	1 310	1 310	15 724	16 589	17 501
Bulk purchases - Electricity	9 779	9 779	9 779	9 779	9 779	9 779	9 779	9 779	9 779	9 779	9 779	9 779	117 343	125 933	135 151
Bulk purchases - Water & Sewer	382	382	382	382	382	382	382	382	382	382	382	382	4 579	4 914	5 274
Other materials	1 597	1 597	1 597	1 597	1 597	1 597	1 597	1 597	1 597	1 597	1 597	1 597	19 165	19 741	20 333
Contracted services	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	3 333	2 221	38 889	40 055	41 257
Transfers and grants - other municipalities	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	1 064	12 767	13 630	13 167
Other expenditure	5 287	5 287	5 287	5 287	5 287	5 287	5 287	5 287	5 287	5 287	5 287	3 187	61 348	63 188	65 084
<b>Cash Payments by Type</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>35 904</b>	<b>32 692</b>	<b>427 635</b>	<b>452 128</b>	<b>476 771</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	23 509	11 204	16 704	10 536	7 792	21 256	3 401	2 450	1 850	13 301	1 850	1 851	115 704	124 773	106 130
<b>Total Cash Payments by Type</b>	<b>59 413</b>	<b>47 108</b>	<b>52 608</b>	<b>46 440</b>	<b>43 696</b>	<b>57 160</b>	<b>39 305</b>	<b>38 354</b>	<b>37 754</b>	<b>49 205</b>	<b>37 754</b>	<b>34 543</b>	<b>543 339</b>	<b>576 901</b>	<b>582 900</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>90 824</b>	<b>-31 443</b>	<b>-37 781</b>	<b>-31 613</b>	<b>-22 319</b>	<b>48 189</b>	<b>-24 479</b>	<b>-23 527</b>	<b>64 221</b>	<b>-29 378</b>	<b>-22 927</b>	<b>16 436</b>	<b>-3 798</b>	<b>-8 388</b>	<b>-40 244</b>
Cash/cash equivalents at the month/year begin:	4 100	94 924	63 481	25 700	-5 913	-28 232	19 957	-4 522	-28 049	36 172	6 794	-16 134	4 100	302	-8 086
Cash/cash equivalents at the month/year end:	94 924	63 481	25 700	-5 913	-28 232	19 957	-4 522	-28 049	36 172	6 794	-16 134	302	302	-8 086	-48 330



## 12. KEY FOCUS AREAS AND LINKAGE TO THE BUDGET

Table 18: Strategic Objectives and Key Performance Areas:

KEY PERFORMANCE AREA	STRATEGIC OBJECTIVE	KEY FOCUS AREA	TOTAL
Municipal institutional transformation and development	To ensure good Governance	Legal and compliance	2 118 000
		Leadership	104 392 000
		Satellite office	0
Municipal Viability and Financial Management	To ensure financial viability	Revenue management	0
		Expenditure management	0
		Asset management	0
		Supply Chaim Management	732 000
		Financial reporting and budgeting	103 679 000
Good Governance & Public Participation	To ensure efficient and effective Information Communication Technology (ICT)	Data Integrity and Security	4 254 000
Local Economic Development (LED)	To ensure economic development	Forest Management	17 426 000
		Local Economic Development	16 364 000
		Skills development and Job creation	25 743 000
Basic Service Delivery	To ensure provision of basic services (Water, Electricity, Sanitation and Waste removal)	Electricity	149 834 000
		Water and Sanitation	64 176 000
		Waste Management	71 310 000
		Roads and storm water	60 778 000
Spatial Development & Rational	Spatial Planning and Rationale	Land Use Management	22 874 000
		Road Safety	15 718 000
		Health and social development	5 945 000
		Research and development	0
Total			663 225 000

## ANNEXURE A: STRATEGIC OBJECTIVES, KEY PERFORMANCE INDICATORS AND TARGETS

Table 19: Strategic Objective 1: To ensure good Governance

No	Key Performance Indicator	Department	Baseline		2018-19				
					Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Target
Key Performance Area (KPA): Legal and Compliance									
1.	Number of by-laws approved gazetted	Legal Services	3		0	1	1	1	3
2.	% SLA and Contracts drafted within 30 days	Legal Services	100%		100%	100%	100%	100%	100%
3.	Consultation with attorneys	Legal Services	100%		100%	100%	100%	100%	100%
4.	% of mid-year performance evaluation facilitated on all senior management	PMS	100%		100%	100%	100%	100%	100%
5.	% of year end performance evaluation facilitated on all senior management	PMS	100%		100%	100%	100%	100%	100%
6.	Compile Performance Reports on quarterly basis	PMS		4	1	1	1	1	4
7.	Compile Annual Performance Report	PMS	1		1	0	0	0	1
8.	Number of PMS feedback sessions conducted	PMS	4		1	1	1	1	4
Key Performance Area (KPA): Leadership									
9.	Number of IDP process plans adopted.	Planning and Development	1		1	0	0	0	1
10.	Number of annual IDP reviews adopted	Planning and Development	1		0	0	0	1	1
11.	Mayoral Imbizo	Corporate Service	4		1	1	1	1	4
12.	Number of Spatial Development Framework (SDF) reviewed	Planning and development	1		0	1	0	0	1
13.	Number of Wall to wall Land Use Scheme (LUS) reviewed	Planning and development	New		0	1	0	0	1
14.	Number of audit committee charters reviewed	Audit Committee	New		0	0	0	1	1

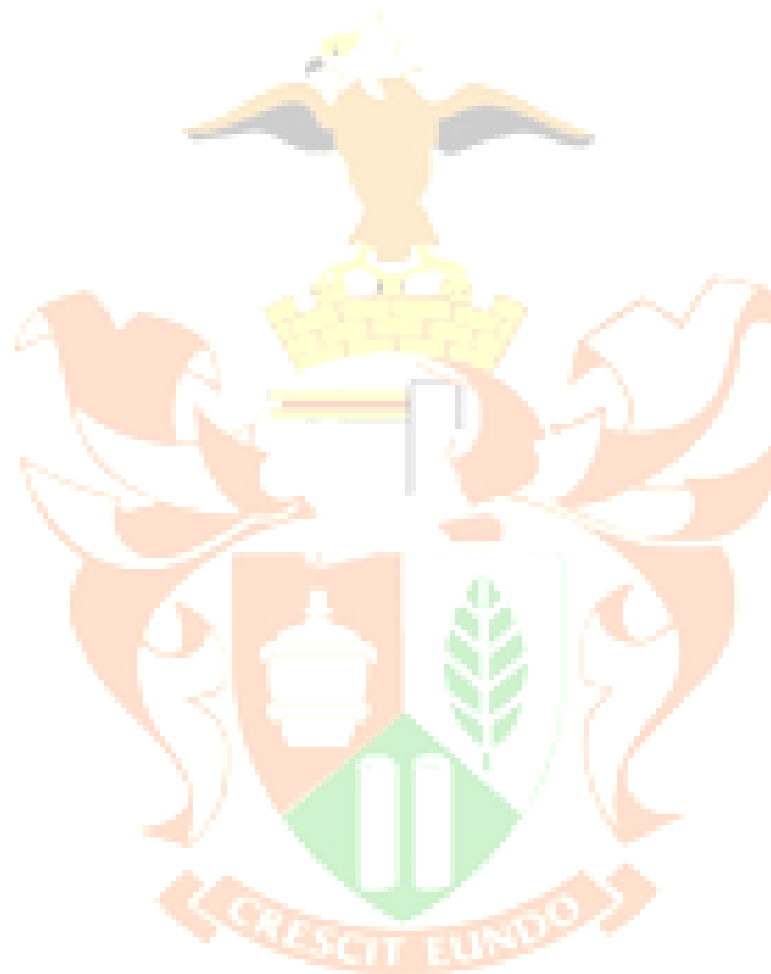
15.	Number of Internal Audit (IA) plans approved	Internal Audit	1	0	0	0	1	1
16.	Number of IA charters approved	Internal Audit	1	0	0	0	1	1
17.	Number of quarterly internal audit reports submitted to audit committee	Internal audit	4	1	1	1	1	4
18.	Number of risk management and fraud prevention committee meetings held	Risk Management	4	1	1	1	1	4
19.	Number of strategic risk assessment workshops conducted	Risk Management	1	0	0	0	1	1
20.	Number of quarterly reports on risk management	Risk Management	4	1	1	1	1	4
21.	Number of risk implementation plans approved	Risk Management	1	1	0	0	0	1
<b>Key Performance Area : SATELITE OFFICES</b>								
22.	Number of Stakeholders Awareness and Cleanup Campaigns conducted	Satellite Offices	New	1	1	1	1	4
23.	Number of halls cleaned	Satellite Offices	Four (04) municipal halls are cleaned 4 times per month in accordance with the set schedule	48	48	48	48	192
24.	Number of requests received and processed for graves preparations	Satellite Offices	100%	100%	100%	100%	100%	100%
25.	Repairs and Maintenance 250 W, 125 W and 400 W and Luminaire/Street light	Satellite Offices	100%	100%	100%	100%	100%	100%
26.	Number of consumer awareness campaigns conducted	Satellite Offices	4	1	1	1	1	4

<b>27.</b>	% of Indigent Applications received and processed	Satellite Offices	132 indigents registered	100%	100%	100%	100%	100%
<b>28.</b>	Number of health and safety workshops conducted	Satellite Offices	New	1	1	1	1	4
<b>29.</b>	Number of new employees inducted	Satellite Offices	New	100%	100%	100%	100%	100%
<b>30.</b>	Number of electricity meters installed as per the applications	Satellite Offices	New	100%	100%	100%	100%	100%
<b>31.</b>	Number of electrical meter boxes replaced	Satellite Offices	New	100%	100%	100%	100%	100%
<b>32.</b>	Number of bulk meters installed	Satellite Offices	New	100%	100%	100%	100%	100%
<b>33.</b>	Number of street and /or high mast lights maintained	Satellite Offices	New	100%	100%	100%	100%	100%
<b>34.</b>	Number of electric faults attended to	Satellite Offices	New	100%	100%	100%	100%	100%
<b>35.</b>	Number of new water and waste water connections as per requests	Satellite Offices	New	100%	100%	100%	100%	100%
<b>36.</b>	Number of transfer stations maintained	Satellite Offices	New	1	1	1	1	4
<b>37.</b>	Number of mass refuse container trips made	Satellite Offices	New	12	12	12	12	48

**Table 20: Strategic Objective 2: To ensure Financial Viability**

No	Key Performance Indicator	Department	Baseline	2018-19				
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Target
Key Performance Area (KPA): Revenue Management								
38.	% of customers billed within 10 days of each month	Finance Department	100%	100%	100%	100%	100%	100%
39.	% of monthly revenue collected	Finance Department	75%	75%	80%	85%	90%	90%
40.	% of approved and registered indigent households receiving free basics services.	Finance department	1043	100%	100%	100%	100%	100%
Key Performance Area (KPA): Expenditure Management								
41.	% of capital budget spent on capital projects	Finance Department	100%	25%	50%	75%	100%	100%
42.	% of operational budget spent on operational projects	Finance Department	100%	25%	50%	75%	100%	100%
Key Performance Area (KPA): Asset Management								
43.	Number of fixed assets verification conducted	Finance Department	New	0	0	1	1	1
44.	Number of monthly asset reconciliation conducted	Finance Department	New	3	3	3	3	12
45.	Number of stock counts conducted	Finance Department	2	0	1	0	1	2
Key Performance Area (KPA): Financial Reporting and Budgeting								
46.	Number of Section 71 & 72 reports submitted to National Treasury	Finance Department	12	3	3	3	3	12
47.	Number of monthly bank reconciliation approved	Finance Department	12	3	3	3	3	12
Key Performance Area (KPA): Supply Chain Management								
48.	Number of SCM quarterly reports completed	SCM	4	1	1	1	1	4
49.	% of tenders advertised awarded within	SCM	100%	100%	100%	100%	100%	100%

	90 days							
50.	Number of procurement plan approved	SCM	1	0	0	0	1	1



**Table 21: Strategic Objective 3: To ensure efficient and effective ICT:**

No	Key Performance Indicator	Department	Baseline	2018-19				
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Target
Key Performance Area (KPA): Data Integrity and Security								
51.	% of ICT queries responded to within 24 hours	ICT	100%	100%	100%	100%	100%	100%
52.	Number of monthly offsite backups conducted	ICT	12	3	3	3	3	12
53.	% compliance to Section 75 (MFMA) requirements in terms of the Website updating monthly	ICT	100%	100%	100%	100%	100%	100%





**Table 22: Strategic Objective 4: To ensure Local Economic Development (LED):**

No	Key Performance Indicator	Department	Baseline	2018-19				
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Target
Key Performance Area (KPA): Local Economic Development								
54.	Number of exhibitions organized	Planning and Development	4	1	1	1	1	4
55.	Number of SMMEs and co-ops supported	LED	5	0	0	0	5	5
56.	Review of LED strategy	Planning and Development	Adopted LED Strategy	0	0	0	1	1
Key Performance Area (KPA): Forest Management								
57.	Number of hectors (ha) replanted	Forestry	85	25	25	25	25	100
Key Performance Area (KPA): Skills development and Job creation								
58.	% vacancies filled as per requests received	Corporate Services	75%	75%	75%	75%	75%	75%
59.	Number of health and safety workshops conducted	Corporate Services	20	5	5	5	5	20
60.	Number of bursaries offered	Corporate Services	10	0	0	10	0	10
61.	% of new employees inducted	Corporate Services	100%	100%	100%	100%	100%	100%
62.	Work-place skills plan submitted annually	Corporate Services	1	0	0	0	1	1
63.	Number of monthly reports prepared on employee wellness and assistance programme offered	Corporate Services	12	3	3	3	3	12
64.	Number of training interventions facilitated	Corporate Services	35	10	5	10	0	35
65.	Employment Equity Report submitted annually	Corporate Services	1	0	0	1	0	1

**Table 23: Strategic Objective 5: To ensure provision of basic services:**

No	Key Performance Indicator	Department	Baseline	2018-19				
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Target
Key Performance Area (KPA): Electricity								
66.	Maintenance of electrical network as per maintenance plan	Electrical Services	140	35	35	35	35	140
67.	Number of electricity meters installed	Electrical Services	500	175	175	175	175	700
68.	Number of meter boxes replaced	Electrical Services	30	10	10	5	5	30
69.	Number of bulk meters installed	Electrical Services	40	10	10	10	10	40
70.	Number of street lights maintained	Electrical Services	400	100	100	100	100	400
71.	% of reported electric faults attended to	Electrical Services	100%	100%	100%	100%	100%	100%
Key Performance Area (KPA): Water and Sanitation								
72.	Number of water conservation and water demand management programmes implemented	Water and Sanitation	11	3	3	2	3	11
73.	Megaliters of water provided to communities through water treatment works/water tankers and boreholes	Water and Sanitation	5 800	1 450	1 450	1 450	1 450	5 800
74.	Number of new water and waste water connections	Water and Sanitation	100%	100%	100%	100%	100%	100%
75.	Number of bulk water meters acquired	Water and Sanitation	New	0	0	5	2	7
76.	Number of water meters replaced	Water and Sanitation	New	25	25	25	25	100
77.	Number of publication report on water	Water and	New	1	1	1	1	4

	and waste water compliance (Blue and Green drop)	Sanitation						
78.	Number of water and waste water by-laws gazetted	Water and Sanitation	New	0	0	0	2	2
79.	Megaliters of waste water treated from waste water treatment works and septic tanks drained from households	Water and Sanitation	2 555	638	638	639	640	2 555
<b>Key Performance Area (KPA): Roads and Storm water</b>								
80.	KMs of roads maintained and graded	Roads and Storm Water	40	20	20	20	20	80
81.	Number of graves prepared	Roads and Storm Water	100%	100%	100%	100%	100%	100%
82.	M² of tar road potholes repaired	Roads and Storm Water	16 800	4 200	4 200	4 200	4 200	16 800
83.	M of storm water systems maintained	Roads and Storm Water	5000	1000	1000	1000	2000	5000
<b>Key Performance Area (KPA): Waste Management</b>								
84.	Number of waste transfer stations maintained	Waste Management	New	0	0	0	1	1
85.	Number of disposal sites constructed in rural areas	Waste Management	1	1	1	1	1	4
86.	Number of waste bins supplied to communities	Waste Management	New	2	1	1	2	6
87.	Number of waste cells constructed in the landfill site	Waste Management	2	0	0	0	1	1
88.	Number of streets cleaned in the CBD	Waste Management	15	15	15	15	15	15
89.	Number of mass refuse container trips made	Waste Management	208	52	52	52	52	208

90.	Number of reports on landfill sites compliance	Waste Management	New	1	1	1	1	4
91.	Number of stakeholders awareness and cleanup campaigns held	Waste Management	4	1	1	1	1	4
92.	Number of monthly waste reports submitted to Department of Environmental Affairs via South African Waste Information System	Waste Management	12	3	3	3	3	12
93.	Number of waste summits on waste and environmental management coordinated	Community Services	1	0	0	0	1	1
<b>Key Performance Area (KPA): By-Law Enforcement</b>								
94.	Number of road blocks conducted	Public Safety	20	7	10	7	6	30
95.	Number of road safety awareness campaigns conducted	Public Safety	32	8	8	9	9	34
96.	Meters of Road Markings painted	Public Safety	New	1250	1250	1250	1250	5000
97.	Number of fire awareness campaigns conducted	Public Safety	15	4	4	4	4	20
<b>Key Performance Area (KPA): Infrastructure Development</b>								
98.	KMs of Water Bulk Line constructed	PMU	Existing borehole	2	2	2	2	8
99.	KMs of gravel road constructed	PMU	3	0	0	3	0	3
100.	Number of culvert bridges constructed	PMU	2	1	1	0	0	2
101.	M <sup>2</sup> of storm water drainage constructed	PMU	New	2 500	2 500	2 500	2 500	10 000
102.	Number of Sport Facilities constructed	PMU	10	0	1	0	0	1
103.	KMs of bus and taxi road	PMU	4	4	0	0	0	4
104.	KMs of gravel roads paved	PMU	4	3	3	0	0	4
105.	Number of dignified sanitation toilets constructed	PMU	300	0	300	0	0	300

106.	Number of Waste Water Treatment Works Constructed	PMU	1	0	0	0	1	1
107.	Number of bulk water and reticulation network constructed	PMU	1	0	0	0	1	1
108.	Number of Parks established	PMU	1	0	0	0	1	1
109.	Number of High Mast Lights installed	PMU	12	0	12	0	0	12
110.	Number of Waste Water Package Plants constructed	PMU	2	0	0	2	0	2

**Table 24: Strategic Objective 6: Spatial Planning and Rationale:**

No	Key Performance Indicator	Department	Baseline	2018-19				
				Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Target
Key Performance Area (KPA): Land use Management								
111.	% of building plans processed within 30 days	Planning and Development	95%	100%	100%	100%	100%	100%
112.	% of building inspections conducted as per request	Planning and Development	100%	100%	100%	100%	100%	100%
113.	% of contravention notices issued on all illegal building work identified	Planning and Development	New	100%	100%	100%	100%	100%
114.	Number of households inspected for illegal buildings and business operations	Planning and Development	7000	1500	1500	1500	1500	6000
115.	% of non-compliance notices issued on all illegal land use identified	Planning and Development	New	100%	100%	100%	100%	100%
116.	Number of professional consultants appointed	Planning and Development	New	0	0	0	2	2
117.	Processing of township establishments	Planning and Development	2	0	0	0	2	2
118.	% of Section 86 applications processed	Planning and Development	100%	100%	100%	100%	100%	100%

119.	% of beneficiaries registered on the NHNR Database against received applications	Planning and Development	New	100%	100%	100%	100%	100%
120.	% of general queries attended to against received public enquiries	Planning and Development	New	100%	100%	100%	100%	100%
121.	Number of consumer education sessions initiated	Planning and Development	4	1	1	1	1	4
122.	% of beneficiaries allocated against allocation from DoHS	Planning and Development	New	100%	100%	100%	100%	100%
<b>Key Performance Area (KPA): Health and social development</b>								
123.	Number of women and children events organized	Corporate Services	2	1	1	0	0	2
124.	Number of MMC,HIV, STI and AIDS programmers held	Corporate Services	4	2	2	2	2	8
125.	Number of municipal publications produced	Corporate Services	4	1	1	1	1	4
126.	Cleaning Services	Corporate Services	10	10	10	10	10	40
127.	Number of Records Management System Reports Produced	Corporate Services	12	3	3	3	3	12
128.	Number of Reports on Record Training	Corporate Services	4	1	1	1	1	4
129.	Number of Youth Intervention programmes conducted	Corporate Services	4	4	4	4	4	16
<b>Key Performance Area (KPA): Research &amp; Development</b>								
130.	Host Investment and Business Summit	Research Unit	New	0	0	1	0	1
131.	Number of Research on possible investment strategies (To stimulate the economy)	Research Unit	New	0	1	0	1	2

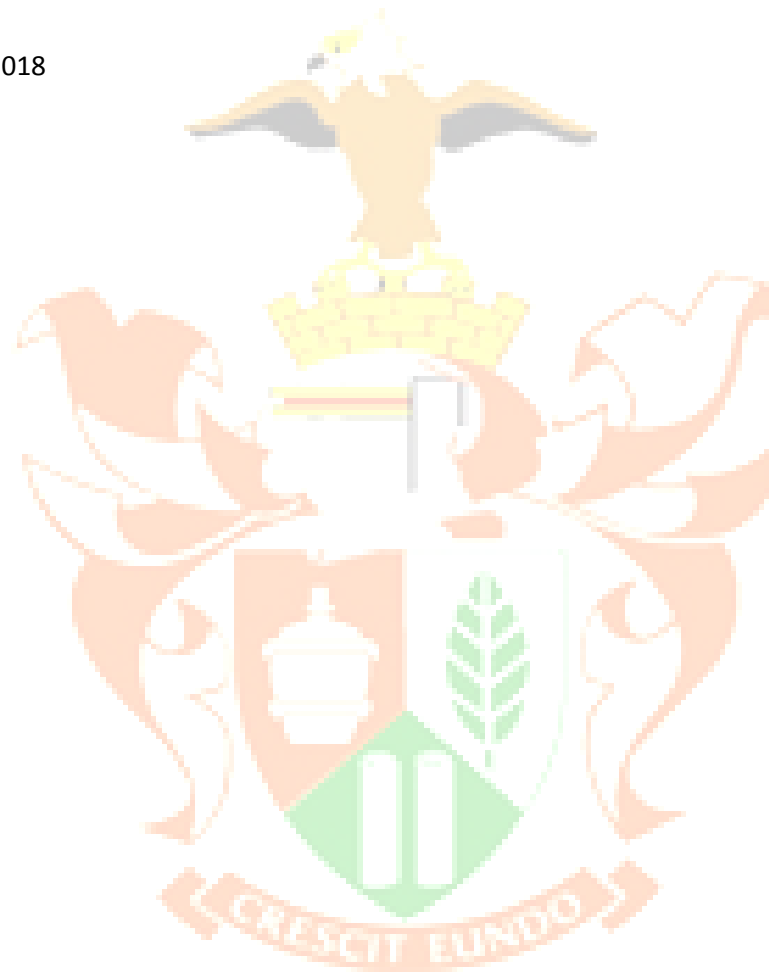
Done and signed at Mkhondo

This .....day of .....2018

This .....day of .....2018

.....

Mr Maqhawe Kunene  
Accounting Officer



.....

CLR Vusi Motha`  
Honourable Executive Mayor

